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TAGS: EINV ENR EPET PGOV PREL PTER

SUBJECT: RUSSIA EMPHASIZES STABILITY IN GOTX RELATIONS

REF: A. 07 MOSCOW 5701

¶B. 07 MOSCOW 5231

**1**C. 07 MOSCOW 5955

¶D. ASHGABAT 7

¶E. 07 ASHGABAT 1335

Classified By: Political M/C Alice G. Wells. Reasons 1.4 (b) and (d)

11. (C) Summary: Russian MFA officials and think tankers argue that Russia is comfortable with its relationship with the Berdimuhamedov regime, with the GOR emphasis on Turkmen stability over rapid democratic reform. Russia is pushing Shanghai Cooperation Organization (SCO) membership on an indifferent GOTX. Russia remains concerned about the long-term viability of Turkmenistan's gas reserves and competition for the GOTX's supplies has given Ashgabat more leverage in price negotiations. Russia sees itself as the big winner in the GOTX-Iranian gas dispute, and is banking on close historical ties to strengthen its position as dominant customer. GOR investment in education and infrastructure, both current and hoped-for, are primarily aimed to promote Russia's primacy in Turkmenistan's political and economic development. End Summary.

Stability Is Top Priority

12. (C) Russian MFA officials and the think tank community discount the possibility of major political disputes between Russia and Turkmenistan, with the GOR comfortable with its warm relationship with the Berdimuhamedov regime. Aleksandr Romansich, Counselor in the MFA Third CIS Department, and Vladimir Zharikhin of the CIS Institute both told us Russia's top priority in Turkmenistan was stability. Arguing that political party leaders in Turkmenistan are largely clan leaders, Zharikhin asserted that Turkmenistan would find it difficult to achieve democracy in the Western sense. Free and open elections would simply mean rival clans would struggle for power every few years. Romansich separately agreed, arguing that, for the time being, Turkmenistan understood only strong leadership; two strong candidates for the post of president would simply result in a civil war. Democratic development should not be "rushed." Romansich asserted that Russia would rather see authoritarianism in Turkmenistan than Islamic fundamentalism or chaos.

Russia Pushing SCO

13. (C) Murad Yazberdiev, Counselor of the Embassy of Turkmenistan in Moscow, told us his government has no plans to join the CSTO or the SCO. Romansich said the GOR understood Turkmen reservations, but added that Russia would

continue to solicit Turkmenistan membership in the SCO. Romansich argued that Turkmenistan has been a reliable CIS member, and that SCO membership would facilitate greater cooperation among Turkmenistan and its neighbors.

Gas: Russia's Top Bilateral Concern

- 14. (C) The experts, Russian MFA representatives, and Turkmen Embassy officials agree that the main issue in the Russo-Turkmen relationship is ensuring gas supplies. Turkmenistan delivers gas not only to Russia, but increasingly to China, Iran, and its other neighbors. This has caused many to question the long-term viability of Turkmenistan's gas reserves, which is especially important to Russia, given its heavy reliance on Turkmenistan to supply European markets. Turkmen Embassy officials dismissed concerns that Turkmenistan does not have enough gas to supply its neighbors (ref A). He argued that such claims are made by "slackers who are not specialists." Russian experts and the MFA disagree, although MFA's Romansich argued that with greater Russian investment, more gas fields could be developed, which would help Turkmenistan fulfill its obligations to its customers.
- 15. (C) Increased competition for Turkmenistan's gas gives it a great deal of leverage in price negotiations (ref B), but according to Romansich, Russia's desire to be the dominant supplier of gas to Europe means it will remain an important customer for the foreseeable future. Russia controls Turkmenistan's gas export routes to Ukraine and has recently solidified its position as the country's primary gas customer (ref A and C). In the current gas dispute between Turkmenistan and Iran, caused by Turkmenistan's desire to raise the price Iran pays for gas (ref D), Russia has used its reserves to fill the supply void to countries that purchase from Iran, such as Turkey, further undermining Iran's reputation as a reliable gas supplier. As some press reports and even Romansich have argued, Russia is the big winner in this dispute. Pointing to Russia's close historical ties with Turkmenistan, Romansich argued that, "Old friends are better than new ones," and Russia hopes this will strengthen its position as one of Turkmenistan's reliable customers.

Russia Bullish On Turkmenistan

16. (C) Romansich said the GOR is also looking for ways to invest in Turkmenistan's Avaza Tourism Zone (ref E), automobile factories, and other areas of the Turkmen economy. The GOR also wants to help rebuild Turkmenistan's education system, largely by encouraging Russian instruction in Turkmen schools. Zharikhin pointed out that this would serve Russia's interests in the short and long term. As Turkmenistan seeks to join Russia as a major gas supplier in the region, strong economic and cultural linkages would help keep Turkmenistan in its sphere of influence.

Comment

17. (C) As Turkmenistan increasingly pursues an independent foreign policy, we look for Russia to increasingly turn to soft power to keep a stable, gas-producing Turkmenistan as close as possible. Increasing investment in Turkmenistan, as well as promoting cultural ties, will most likely continue. The GOR hopes Russian investment in education, and in particular Russian language instruction, will mean future generations will look favorably at Russia. BURNS